

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF TEXAS
EL PASO DIVISION**

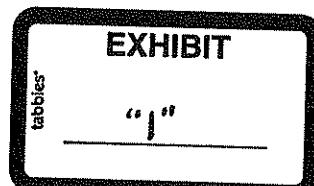
IN RE: §
§
DHC REALTY, LLC. § Case No. 11-30977-hcm
§
Debtor. §

**INDEX OF ATTACHMENTS TO
THE DISCLOSURE STATEMENT**

- | | |
|-------------|--|
| Exhibit A | Plan of Reorganization |
| Exhibit 1 | Summary of 2011 Operations |
| Exhibit 2 | Projections for Operations |
| Exhibit 3 | Five Year Projections of Operations |
| Exhibit 4 | Amended Bankruptcy Schedules |
| Exhibit 5 | DHC Realty, LLC's 2010 Form 1065 U.S. Return of Partnership Income |
| Exhibit 5-A | Liquidation Analysis |

El Paso DHC Enterprises Far East LLC,**El Paso DHC Enterprises West LLC,****El Paso DHC Enterprises LLC****January through October 2011**

| | Far East | West | East | TOTAL |
|---------------------------------|---------------------|-------------------|-------------------|---------------------|
| Ordinary Income/Expense | | | | |
| Catering | 342,562.12 | 3,002.33 | 6,292.57 | 351,857.02 |
| Sales | 729,647.82 | 932,409.61 | 763,936.48 | 2,425,993.91 |
| Total Income | 1,072,209.94 | 935,411.94 | 770,229.05 | 2,777,850.93 |
| Cost of Goods Sold | 405,802.32 | 364,856.85 | 299,620.26 | 1,070,279.43 |
| Gross Profit | 666,407.62 | 570,555.09 | 470,608.79 | 1,707,571.50 |
| Expense | | | | |
| Labor Cost | 260,308.69 | 233,579.42 | 211,428.13 | 705,316.24 |
| Repairs & Maintenance | 13,950.27 | 16,893.10 | 14,972.52 | 45,815.89 |
| Bank Charges | 378.08 | 0.00 | 0.00 | 378.08 |
| Finance Charges | 7,575.88 | 6,425.10 | 6,574.95 | 20,575.93 |
| Truck/Auto Expense | 9,857.65 | 1,632.20 | 2,049.86 | 13,039.71 |
| Equipment Expense | 7,726.35 | 7,032.48 | 4,092.74 | 18,851.57 |
| Dues, Fees & Subscriptions | 3,232.79 | 719.49 | 0.00 | 3,952.28 |
| Interest Expense | 456.85 | 0.00 | 0.00 | 456.85 |
| Contract Labor | 1,112.00 | 0.00 | 0.00 | 1,112.00 |
| Miscellaneous | 114.01 | 0.00 | 37.56 | 151.57 |
| Penalties | 1,015.19 | 559.13 | 171.44 | 1,745.76 |
| Insurance Expense | 11,162.57 | 11,178.05 | 11,406.27 | 33,746.89 |
| Licences / Permits | 1,447.25 | 0.00 | 0.00 | 1,447.25 |
| Management Fees - Chowaiki Hldg | 35,893.80 | 37,340.96 | 32,721.00 | 105,955.76 |
| Office Supplies | 762.48 | 44.12 | 70.55 | 877.15 |
| Small Wares | 560.74 | 311.11 | 149.15 | 1,021.00 |
| Outside Services | 5,095.97 | 4,464.62 | 4,139.90 | 13,700.49 |
| Professional Fees | 0.00 | 0.00 | 5,932.53 | 5,932.53 |
| Reconciliation Discrepancies | 0.06 | 0.25 | 21.89 | 22.20 |
| Royalty Fee | 40,577.73 | 43,792.47 | 36,370.62 | 120,740.82 |
| Rent - DHC Realty | 150,000.00 | 150,000.00 | 150,000.00 | 450,000.00 |
| Marketing | 8,712.83 | 6,779.95 | 6,385.08 | 21,877.86 |
| Utilities | 59,116.06 | 57,777.19 | 55,813.64 | 172,706.89 |
| Uniforms | 499.26 | 188.36 | 332.30 | 1,019.92 |
| Taxes | 47,235.25 | 73,284.37 | 54,908.26 | 175,427.88 |
| Travel & Entertainment | 48.73 | 111.74 | 93.96 | 254.43 |
| Licenses / Permits | 0.00 | 3,911.80 | 1,733.75 | 5,645.55 |
| Dues, Fees & Subscriptions | 0.00 | 0.00 | 353.40 | 353.40 |
| Total Expense | 666,340.49 | 656,025.91 | 599,759.50 | 1,922,125.90 |
| Net Ordinary Income | 67.13 | (85,470.82) | (129,150.71) | (214,554.40) |
| Other Income/Expense | | | | |
| Other Income | 2,617.16 | 2,153.45 | 5,742.88 | 10,513.49 |

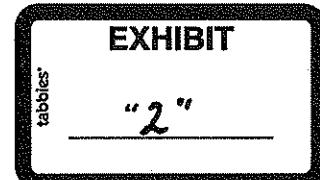


El Paso DHC Enterprises Far East LLC,**El Paso DHC Enterprises West LLC,****El Paso DHC Enterprises LLC****January through October 2011**

| | | | | |
|--------------------------------|-------------------------|---------------------------|----------------------------|----------------------------|
| Rebates | <u>10,892.53</u> | <u>9,877.54</u> | <u>9,743.97</u> | <u>30,514.04</u> |
| Total Other Income | <u>13,509.69</u> | <u>12,030.99</u> | <u>15,486.85</u> | <u>41,027.53</u> |
| Operating Income | <u>13,576.82</u> | <u>(73,439.83)</u> | <u>(113,663.86)</u> | <u>(173,526.87)</u> |
| Insurance Reimbursement | 0.00 | 0.00 | 32,649.98 | 32,649.98 |
| Net Income before Taxes | 13,576.82 | (73,439.83) | (81,013.88) | (140,876.89) |

11-30977-hcm Doc#47-1 Filed 01/13/12 Entered 01/13/12 16:48:19 Exhibit Index &
 Exhibits to Disclosure Stmt Pg 4 of 40
El Paso DHC Enterprises West, LLC
Projection 2012

| | West | Actual 2010 Nov/Dec | Catering YTD 10/2011 | Proj 2011 | Growth 5% |
|--------------------------------|--------------------|---------------------------|-------------------------|---------------------|---------------------|
| | <u>YTD 10/2011</u> | | | | |
| Ordinary Income/Expense | | | | | |
| Catering | 3,002.33 | 330 | 348,854.69 | 421,137.55 | 442,194.43 |
| Operations | <u>932,409.61</u> | 193,868.94 | | 1,126,278.55 | 1,182,592.48 |
| Total Income | 935,411.94 | 194,198.94 | | 1,129,610.88 | 1,624,786.91 |
| Cost of Goods Sold | 364,856.85 | 77,043.92 | 139,541.88 | 581,442.65 | 597,052.88 |
| Gross Profit | 570,555.09 | 117,155.02 | 209,312.81 | 897,022.92 | 1,027,734.03 |
| | | | | | Growth |
| | | | | | Expenses |
| Expense | | | | | 3% |
| Labor Cost | 233,579.42 | 48,222.39 | 46021.26 | 327,823.07 | |
| Repairs & Maintenance | 16,893.10 | 12,270.59 | | 29,163.69 | |
| Bank Charges | 0.00 | - | | 0.00 | |
| Finance Charges | 6,425.10 | 487.59 | | 6,912.69 | |
| Truck/Auto Expense | 1,632.20 | 717.49 | | 2,349.69 | |
| Equipment Expense | 7,032.48 | 1,755.49 | | 8,787.97 | |
| Dues, Fees & Subscriptions | 719.49 | 165.88 | | 885.37 | |
| Interest Expense | 0.00 | 4,406.24 | | 4,406.24 | |
| Contract Labor | 0.00 | | | 0.00 | |
| Miscellaneous | 0.00 | | | 0.00 | |
| Penalties | 559.13 | - | | 559.13 | |
| Insurance Expense | 11,178.05 | 5,373.35 | | 16,551.40 | |
| Licences / Permits | 3,911.80 | 1,520.00 | | 5,431.80 | |
| Management Fees | 37,340.96 | 6,043.30 | | 43,384.26 | |
| Office Supplies | 44.12 | 30.98 | | 75.10 | |
| Small Wares | 311.11 | 1,524.71 | | 1,835.82 | |
| Outside Services | 4,464.52 | 718.66 | | 5,183.18 | |
| Professional Fees | 0.00 | - | | 0.00 | |
| Reconciliation Discrepancies | 0.00 | - | | 0.00 | |
| Royalty Fee | 43,792.47 | 8,994.33 | 16,117.09 | 68,903.89 | |
| Rent - DHC Realty | 150,000.00 | 30,000.00 | | 180,000.00 | |
| Marketing | 6,779.95 | 3,265.30 | | 10,045.25 | |
| Utilities | 57,777.19 | 8,223.39 | | 66,000.58 | |
| Uniforms | 188.36 | - | | 188.36 | |
| Taxes | 73,284.37 | 14,860.77 | 25,780.36 | 113,925.50 | |
| Travel & Entertainment | 111.74 | 38.11 | | 149.85 | |
| Licenses / Permits | 0.00 | - | | 0.00 | |
| Dues, Fees & Subscriptions | 0.00 | - | | 0.00 | |
| Total Expense | 656,025.91 | 152,082.76 | 87918.70827 | 896,027.38 | 922,908.20 |
| Net Ordinary Income | (85,470.82) | (34,927.74) | 121,394.11 | 995.55 | 104,825.83 |



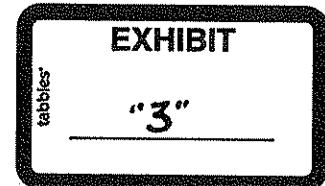
11-30977-hcm Doc#47-1 Filed 01/13/12 Entered 01/13/12 16:48:19 Exhibit Index &
Exhibits to Disclosure Stmt Pg 5 of 40
El Paso DHC Enterprises West, LLC
Projection 2012

| | | | | |
|---------------------------|--------------------|--------------------------------------|-------------------|-------------------|
| Other Income | 2,153.45 | 169.75 | 2,323.20 | |
| Rebates | <u>9,877.54</u> | | <u>9,877.54</u> | |
| Total Other Income | 12,030.99 | 169.75 | 12,200.74 | |
| Operating Income | <u>(73,439.83)</u> | <u>(34,757.99)</u> | <u>121,394.11</u> | <u>13,196.29</u> |
| | | | | 104,825.83 |
| | | Rents | 180,000.00 | 180,000.00 |
| | | Available for Taxes/Creditors | 193,196.29 | 284,825.83 |

**El Paso DHC Enterprises West, LLC
Projection 2012**

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| | Proj 2012 | | | Annual Projections | | 2016 |
|--------------------------------|----------------------------|-------------------|-----------------|----------------------------|----------------------------|----------------------------|
| | | Growth Operations | Growth Catering | 2013 | 2014 | |
| Ordinary Income/Expense | | | | | | |
| Catering Operations | 442,194.43 1,182,592.48 | | | 464,304.15 1,241,722.10 | 487,519.36 1,303,808.21 | 511,895.32 1,368,998.62 |
| Total Income | 1,624,786.91 | | | 1,706,026.25 | 1,791,327.56 | 1,880,893.94 |
| Cost of Goods Sold | 597,052.88 | 35.53% | 40% | 626,905.52 | 658,250.80 | 691,163.34 |
| Gross Profit | 1,027,734.03 | | | 1,079,120.73 | 1,133,076.76 | 1,189,730.60 |
| Expenses | | | | | | |
| Expense | | | | | | |
| Total Expense | 922,908.20 | | | 950,595.45 | 979,113.31 | 1,008,486.71 |
| Net Ordinary Income | 104,825.83 | | | 128,525.28 | 153,963.46 | 181,243.89 |
| Other Income/Expense | | | | | | |
| Other Income | | | | | | |
| Rebates | | | | | | |
| Total Other Income | | | | | | |
| Operating Income | 104,825.83 | | | 128,525.28 | 153,963.46 | 181,243.89 |
| Rents | 180,000.00 | | | 180,000.00 | 180,000.00 | 180,000.00 |
| Available for Taxes/Creditors | 284,825.83 | | | 308,525.28 | 333,963.46 | 361,243.89 |
| | | | | | | 390,475.82 |



**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TEXAS
EL PASO DIVISION**

In re DHC Realty, LLC

Case No. 11-30977

Chapter 11

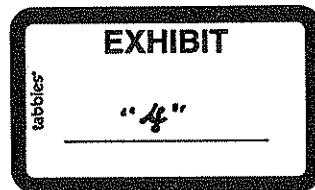
**AMENDED
SUMMARY OF SCHEDULES**

Indicate as to each schedule whether that schedule is attached and state the number of pages in each. Report the totals from Schedules A, B, D, E, F, I, and J in the boxes provided. Add the amounts from Schedules A and B to determine the total amount of the debtor's assets. Add the amounts of all claims from Schedules D, E, and F to determine the total amount of the debtor's liabilities. Individual debtors also must complete the "Statistical Summary of Certain Liabilities and Related Data" if they file a case under chapter 7, 11, or 13.

| NAME OF SCHEDULE | ATTACHED (YES/NO) | NO. OF SHEETS | ASSETS | LIABILITIES | OTHER |
|---|----------------------|------------------|----------------|----------------|-------|
| A - Real Property | Yes | 1 | \$8,310,000.00 | | |
| B - Personal Property | Yes | 5 | \$1,137,644.88 | | |
| C - Property Claimed as Exempt | No | | | | |
| D - Creditors Holding Secured Claims | Yes | 3 | | \$5,980,430.47 | |
| E - Creditors Holding Unsecured Priority Claims (Total of Claims on Schedule E) | Yes | 1 | | \$0.00 | |
| F - Creditors Holding Unsecured Nonpriority Claims | Yes | 3 | | \$1,964,208.55 | |
| G - Executory Contracts and Unexpired Leases | Yes | 1 | | | |
| H - Codebtors | Yes | 2 | | | |
| I - Current Income of Individual Debtor(s) | No | | | | N/A |
| J - Current Expenditures of Individual Debtor(s) | No | | | | N/A |
| TOTAL | | 16 | \$9,447,644.88 | \$7,944,639.02 | |

ELECTRONICALLY FILED

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In re DHC Realty, LLC

Case No. 11-30977

(if known)

AMENDED
SCHEDULE A - REAL PROPERTY

| Description and Location of Property | Nature of Debtor's Interest in Property | Current Value of Debtor's Interest in Property, Without Deducting Any Secured Claim or Exemption | Amount Of Secured Claim |
|--|---|--|-------------------------|
| 7942 Gateway East, El Paso, TX 79915 (Value includes personality; amount of secured claim includes equipment and land loans). | Fee Simple | \$2,800,000.00 | \$1,300,534.58 |
| 5030 North Desert Blvd., El Paso, TX 79912 (Value includes personality; amount of secured claim includes equipment and land loans). | Fee Simple | \$2,860,000.00 | \$1,413,987.97 |
| 1887 North Zaragosa, El Paso, Texas 79936 (Value includes personality; amount of secured claim includes equipment and land loans). | Fee Simple | \$2,650,000.00 | \$1,610,341.19 |
| | | Total: | \$8,310,000.00 |

In re DHC Realty, LLC

Case No. 11-30977

(if known)

AMENDED
SCHEDULE B - PERSONAL PROPERTY

| Type of Property | None | Description and Location of Property | Current Value of Debtor's Interest in Property, Without Deducting any Secured Claim or Exemption |
|--|------|---|--|
| 1. Cash on hand. | X | | |
| 2. Checking, savings or other financial accounts, certificates of deposit or shares in banks, savings and loan, thrift, building and loan, and home-stead associations, or credit unions, brokerage houses, or cooperatives. | X | GECU Bank Acct #825XXXX GECU Member Account #47XXXX Chase Acct #XXXXX2389 | \$9.43 \$20.25 \$228.13 |
| 3. Security deposits with public utilities, telephone companies, landlords, and others. | X | | |
| 4. Household goods and furnishings, including audio, video and computer equipment. | X | | |
| 5. Books; pictures and other art objects; antiques; stamp, coin, record, tape, compact disc, and other collections or collectibles. | X | | |
| 6. Wearing apparel. | X | | |
| 7. Furs and jewelry. | X | | |
| 8. Firearms and sports, photographic, and other hobby equipment. | X | | |
| 9. Interests in insurance policies. Name insurance company of each policy and itemize surrender or refund value of each. | X | | |
| 10. Annuities. Itemize and name each issuer. | X | | |

In re DHC Realty, LLC

Case No. 11-30977

(if known)

AMENDED
SCHEDULE B - PERSONAL PROPERTY

Continuation Sheet No. 1

| Type of Property | None | Description and Location of Property | Current Value of Debtor's Interest in Property, Without Deducting any Secured Claim or Exemption |
|---|------|--|--|
| 11. Interests in an education IRA as defined in 26 U.S.C. § 530(b)(1) or under a qualified State tuition plan as defined in 26 U.S.C. § 529(b)(1). Give particulars. (File separately the record(s) of any such interest(s). 11 U.S.C. § 521(c).) | X | | |
| 12. Interests in IRA, ERISA, Keogh, or other pension or profit sharing plans. Give particulars. | X | | |
| 13. Stock and interests in incorporated and unincorporated businesses. Itemize. | X | | |
| 14. Interests in partnerships or joint ventures. Itemize. | X | | |
| 15. Government and corporate bonds and other negotiable and non-negotiable instruments. | X | | |
| 16. Accounts receivable. | | Due from Fuddruckers East Due from Fuddruckers Far East Due from Fuddruckers West Due from DHC Rainier, LLC | \$240,000.00 \$405,948.30 \$313,638.53 \$10.00 |
| 17. Alimony, maintenance, support, and property settlements to which the debtor is or may be entitled. Give particulars. | X | | |

In re DHC Realty, LLC

Case No. 11-30977

(if known)

AMENDED
SCHEDULE B - PERSONAL PROPERTY

Continuation Sheet No. 2

| Type of Property | None | Description and Location of Property | Current Value of Debtor's Interest in Property, Without Deducting any Secured Claim or Exemption |
|--|------|---|--|
| 18. Other liquidated debts owed to debtor including tax refunds. Give particulars. | X | | |
| 19. Equitable or future interests, life estates, and rights or powers exercisable for the benefit of the debtor other than those listed in Schedule A - Real Property. | X | | |
| 20. Contingent and noncontingent interests in estate of a decedent, death benefit plan, life insurance policy, or trust. | X | | |
| 21. Other contingent and unliquidated claims of every nature, including tax refunds, counterclaims of the debtor, and rights to setoff claims. Give estimated value of each. | | Loan Origination Fees (\$59,415.30 is carried on the Debtor's balance sheet; the actual value of this "asset" is dependent on the existence of taxable income that it can offset as it is amortized for tax purposes) Claim against K Simon Construction of Texas, Inc. Actual damages: \$150,000.00 plus DTPA trebling and attorney's fees. Filed as counterclaim to collection suit for \$31,046.25, interest and attorney's fees. Claims Against GECU asserted in Adversary No. 11-03012-hcm | Unknown Unknown Unknown |
| 22. Patents, copyrights, and other intellectual property. Give particulars. | X | | |
| 23. Licenses, franchises, and other general intangibles. Give particulars. | X | | |

In re DHC Realty, LLC

Case No. 11-30977

(if known)

AMENDED
SCHEDULE B - PERSONAL PROPERTY

Continuation Sheet No. 3

| Type of Property | None | Description and Location of Property | Current Value of Debtor's Interest in Property, Without Deducting any Secured Claim or Exemption |
|---|------|--|--|
| 24. Customer lists or other compilations containing personally identifiable information (as defined in 11 U.S.C. § 101(41A)) provided to the debtor by individuals in connection with obtaining a product or service from the debtor primarily for personal, family, or household purposes. | X | | |
| 25. Automobiles, trucks, trailers, and other vehicles and accessories. | | Trailer Equipment (Catering Trailers) Box Tail Truck | \$15,653.10 \$6,757.49 |
| 26. Boats, motors, and accessories. | X | | |
| 27. Aircraft and accessories. | X | | |
| 28. Office equipment, furnishings, and supplies. | | Furniture, fixtures and Restaurant Decor | \$42,937.15 |
| 29. Machinery, fixtures, equipment, and supplies used in business. | | Equipment located at 7942 Gateway East, El Paso, Texas; Equipment located at 5030 N. Desert Blvd., El Paso, Texas 79912; and, Equipment located at 1887 North Zaragosa, El Paso, Texas 79936* *the total book value of the equipment is \$883,881.42, less depreciation, and the value for purposes of these Schedules is contained in the value stated in Schedule A | \$0.00 |
| 30. Inventory. | X | | |
| 31. Animals. | X | | |
| 32. Crops - growing or harvested. Give particulars. | X | | |

In re DHC Realty, LLC

Case No. 11-30977

(if known)

**AMENDED
SCHEDULE B - PERSONAL PROPERTY**

Continuation Sheet No. 4

| Type of Property | None | Description and Location of Property | Current Value of Debtor's Interest in Property, Without Deducting any Secured Claim or Exemption |
|--|------|--------------------------------------|--|
| 33. Farming equipment and implements. | X | | |
| 34. Farm supplies, chemicals, and feed. | X | | |
| 35. Other personal property of any kind not already listed. Itemize. | | Neon Signs | \$112,442.50 |

(Include amounts from any continuation sheets attached. Report total also on Summary of Schedules.)

4

continuation sheets attached

Total >

\$1,137,644.88

(if known)

AMENDED
SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS

Check this box if debtor has no creditors holding secured claims to report on this Schedule D.

| CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE AND AN ACCOUNT NUMBER (See Instructions Above.) | CODEBTOR | DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND VALUE OF PROPERTY SUBJECT TO LIEN | CONTINGENT | UNLIQUIDATED | DISPUTED | AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL | UNSECURED PORTION, IF ANY |
|--|----------|--|------------|--------------|----------|--|---------------------------------|
| | | | | | | | |
| ACCT #: | | DATE INCURRED: 2009-2010 NATURE OF LIEN: Taxes COLLATERAL: Land & Equipment 7942 Gateway East, El Paso, TX REMARKS: | | | | \$60,332.01 | \$60,332.01 |
| City of El Paso P.O. Box 2992 El Paso, TX 79999-2992 | | VALUE: \$0.00 | | | | | |
| ACCT #: | | DATE INCURRED: 2009-2010 NATURE OF LIEN: Taxes COLLATERAL: Land & Equipment located at 5030 N. Desert Blvd. REMARKS: | | | | \$115,686.57 | \$115,686.57 |
| City of El Paso P.O. Box 2992 El Paso, TX 79999-2992 | | VALUE: \$0.00 | | | | | |
| ACCT #: | | DATE INCURRED: 2009-2010 NATURE OF LIEN: Taxes COLLATERAL: Land & Equipment at 1887 N. Zaragosa El Paso, TX REMARKS: | | | | \$84,069.45 | \$84,069.45 |
| City of El Paso P.O. Box 2992 El Paso, TX 79999-2992 | | VALUE: \$0.00 | | | | | |
| ACCT #: xxxx2940 | | DATE INCURRED: NATURE OF LIEN: Loans COLLATERAL: 7942 Gateway East, El Paso, Texas 79915 REMARKS: | | | | \$1,206,954.24 | |
| GECU 1225 Airway Blvd. El Paso, TX 79925 | X | VALUE: \$2,800,000.00 | X | X | X | | |
| Subtotal (Total of this Page) > | | | | | | \$1,467,042.27 | \$260,088.03 |
| Total (Use only on last page) > | | | | | | | |

2 continuation sheets attached

(Report also on
Summary of
Schedules.) (if applicable,
report also on
Statistical
Summary of
Certain Liabilities
and Related
Data.)

(if known)

AMENDED
SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS

| CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE AND AN ACCOUNT NUMBER (See Instructions Above.) | CODEBTOR | DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND VALUE OF PROPERTY SUBJECT TO LIEN | CONTINGENT | UNLIQUIDATED | DISPUTED | AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL | UNSECURED PORTION, IF ANY |
|--|----------|---|------------|--------------|----------|--|---------------------------------|
| ACCT #: xxxx2941 | | DATE INCURRED: NATURE OF LIEN: Loans COLLATERAL: Restaurant Equipment located at 7942 Gateway E. REMARKS: | X | X | X | \$93,580.34 | \$93,580.34 |
| GECU 1225 Airway Blvd. El Paso, TX 79925 | X | VALUE: \$0.00 | | | | | |
| ACCT #: xxxx2944 | | DATE INCURRED: NATURE OF LIEN: Loans COLLATERAL: 5030 N. Desert Blvd., El Paso, TX 79912 REMARKS: | X | X | X | \$1,298,128.69 | |
| GECU 1225 Airway Blvd. El Paso, TX 79925 | X | VALUE: \$2,860,000.00 | | | | | |
| ACCT #: xxxx2945 | | DATE INCURRED: NATURE OF LIEN: Loans COLLATERAL: Equipment Located at 5030 N. Desert Blvd. REMARKS: | X | X | X | \$116,799.59 | \$116,799.59 |
| GECU 1225 Airway Blvd. El Paso, TX 79925 | X | VALUE: \$0.00 | | | | | |
| ACCT #: xxxx2942 | | DATE INCURRED: NATURE OF LIEN: Loans COLLATERAL: 1887 N. Zaragosa, El Paso, Texas 79936 REMARKS: | X | X | X | \$1,533,669.83 | |
| GECU 1225 Airway Blvd. El Paso, TX 79925 | X | VALUE: \$2,650,000.00 | | | | | |
| Sheet no. 1 of 2 continuation sheets attached to Schedule of Creditors Holding Secured Claims | | Subtotal (Total of this Page) > | | | | \$3,042,178.45 | \$210,379.93 |
| | | Total (Use only on last page) > | | | | | |

(Report also on
Summary of
Schedules.) (If applicable,
report also on
Statistical
Summary of
Certain Liabilities
and Related
Data.)

(if known)

AMENDED
SCHEDULE D - CREDITORS HOLDING SECURED CLAIMS

| CREDITOR'S NAME AND MAILING ADDRESS INCLUDING ZIP CODE AND AN ACCOUNT NUMBER (See Instructions Above.) | CODEBTOR | DATE CLAIM WAS INCURRED, NATURE OF LIEN, AND DESCRIPTION AND VALUE OF PROPERTY SUBJECT TO LIEN | CONTINGENT | UNLIQUIDATED | DISPUTED | AMOUNT OF CLAIM WITHOUT DEDUCTING VALUE OF COLLATERAL | UNSECURED PORTION, IF ANY |
|--|----------|--|------------|--------------|----------|--|---------------------------------|
| | | | | | | | |
| ACCT #: xxxx2943 | | DATE INCURRED: NATURE OF LIEN: Loans COLLATERAL: Equipment located at 1887 Zaragosa REMARKS: | X | X | X | \$140,163.40 | \$140,163.40 |
| GECU 1225 Airway Blvd. El Paso, TX 79925 | X | VALUE: \$0.00 | | | | | |
| ACCT #: xxxx4040 | | DATE INCURRED: NATURE OF LIEN: Other COLLATERAL: 7942 Gateway East, 1887 Zaragosa & 5030 N. Des. REMARKS: Guaranty of Basic Sports Apparel, Inc. Line of Credit; Second lien | X | X | X | \$1,300,000.00 | |
| GECU 1225 Airway Blvd. El Paso, TX 79925 | | VALUE: \$8,310,000.00 | | | | | |
| ACCT #: | | DATE INCURRED: April 2010 NATURE OF LIEN: Other COLLATERAL: 7942 Gateway East, El Paso, TX REMARKS: Lien for work at 7942 Gateway East ; subject of Case No. 2010-3271, pending in El Paso County Court at Law #3 | X | X | X | \$31,046.35 | \$31,046.35 |
| K Simon Construction of Texas c/o Robert M. Lovein 109 River Oaks Drive, Ste. 100 Southlake, TX 76092 | | VALUE: \$0.00 | | | | | |
| Sheet no. 2 of 2 continuation sheets attached to Schedule of Creditors Holding Secured Claims | | Subtotal (Total of this Page) > | | | | \$1,471,209.75 | \$171,209.75 |
| | | Total (Use only on last page) > | | | | \$5,980,430.47 | \$641,677.71 |

(Report also on
Summary of
Schedules.) (If applicable,
report also on
Statistical
Summary of
Certain Liabilities
and Related
Data.)

In re DHC Realty, LLC

Case No. 11-30977

(If Known)

AMENDED

SCHEDULE E - CREDITORS HOLDING UNSECURED PRIORITY CLAIMS

- Check this box if debtor has no creditors holding unsecured priority claims to report on this Schedule E.

TYPES OF PRIORITY CLAIMS (Check the appropriate box(es) below if claims in that category are listed on the attached sheets.)

Domestic Support Obligations

Claims for domestic support that are owed to or recoverable by a spouse, former spouse, or child of the debtor, or the parent, legal guardian, or responsible relative of such a child, or a governmental unit to whom such a domestic support claim has been assigned to the extent provided in 11 U.S.C. § 507(a)(1).

Extensions of credit in an involuntary case

Claims arising in the ordinary course of the debtor's business or financial affairs after the commencement of the case but before the earlier of the appointment of a trustee or the order for relief. 11 U.S.C. § 507(a)(3).

Wages, salaries, and commissions

Wages, salaries, and commissions, including vacation, severance, and sick leave pay owing to employees and commissions owing to qualifying independent sales representatives up to \$11,725* per person earned within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(4).

Contributions to employee benefit plans

Money owed to employee benefit plans for services rendered within 180 days immediately preceding the filing of the original petition, or the cessation of business, whichever occurred first, to the extent provided in 11 U.S.C. § 507(a)(5).

Certain farmers and fishermen

Claims of certain farmers and fishermen, up to \$5,775* per farmer or fisherman, against the debtor, as provided in 11 U.S.C. § 507(a)(6).

Deposits by individuals

Claims of individuals up to \$2,600* for deposits for the purchase, lease or rental of property or services for personal, family, or household use, that were not delivered or provided. 11 U.S.C. § 507(a)(7).

Taxes and Certain Other Debts Owed to Governmental Units

Taxes, customs duties, and penalties owing to federal, state, and local governmental units as set forth in 11 U.S.C. § 507(a)(8).

Commitments to Maintain the Capital of an Insured Depository Institution

Claims based on commitments to the FDIC, RTC, Director of the Office of Thrift Supervision, Comptroller of the Currency, or Board of Governors of the Federal Reserve System, or their predecessors or successors, to maintain the capital of an insured depository institution. 11 U.S.C. § 507(a)(9).

Claims for Death or Personal Injury While Debtor Was Intoxicated

Claims for death or personal injury resulting from the operation of a motor vehicle or vessel while the debtor was intoxicated from using alcohol, a drug, or another substance. 11 U.S.C. § 507(a)(10).

Administrative allowances under 11 U.S.C. Sec. 330

Claims based on services rendered by the trustee, examiner, professional person, or attorney and by any paraprofessional person employed by such person as approved by the court and/or in accordance with 11 U.S.C. §§ 326, 328, 329 and 330.

*Amounts are subject to adjustment on 4/01/13, and every three years thereafter with respect to cases commenced on or after the date of adjustment.

(if known)

AMENDED
SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

Check this box if debtor has no creditors holding unsecured claims to report on this Schedule F.

| CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.) | CODEBTOR | DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE. | CONTINGENT | UNLIQUIDATED | DISPUTED | AMOUNT OF CLAIM |
|--|----------|--|------------|--------------|----------|-----------------------|
| | | | | | | |
| ACCT #: Abraham Chowaiki 1037 Singing Hills El Paso, TX 79912 | | DATE INCURRED: CONSIDERATION: Loans REMARKS: | | | | \$160,250.31 |
| ACCT #: Basic Sports Apparel, Inc. 301 Williams El Paso, TX 79901 | | DATE INCURRED: CONSIDERATION: Loans REMARKS: | | | | \$1,008,826.23 |
| ACCT #: Chowaiki Holdings, LLC 301 Williams El Paso, TX 79901 | | DATE INCURRED: CONSIDERATION: Loans REMARKS: | | | | \$31,966.99 |
| ACCT #: Comptroller Public Account P.O. Box 149348 Austin, TX 78714-9348 | | DATE INCURRED: CONSIDERATION: Other REMARKS: | | | | Notice Only |
| ACCT #: David Aelvoet Linbarger, Goggan, Blair 711 Navarro, Suite 300 San Antonio, TX 78205 | | DATE INCURRED: CONSIDERATION: Notice Only REMARKS: | | | | Notice Only |
| ACCT #: David Chowaiki 301 Williams El Paso, TX 79901 | | DATE INCURRED: CONSIDERATION: Loans REMARKS: | | | | \$231,478.96 |
| Subtotal > | | | | | | \$1,432,522.49 |
| Total > | | | | | | |
| (Use only on last page of the completed Schedule F.) (Report also on Summary of Schedules and, if applicable, on the Statistical Summary of Certain Liabilities and Related Data.) | | | | | | |

AMENDED
SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

| CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.) | CODEBTOR | DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE. | CONTINGENT | UNLIQUIDATED | DISPUTED | AMOUNT OF CLAIM |
|--|----------|--|--|--------------|----------|--------------------|
| | | | | | | |
| ACCT #: El Paso DHC Enterprises, LLC 301 Williams El Paso, TX 79901 | | DATE INCURRED: CONSIDERATION: Loans REMARKS: | | | | \$296,414.85 |
| ACCT #: El Paso Central Appraisal District 5801 Trowbridge El Paso, TX 79925 | | DATE INCURRED: CONSIDERATION: Notice Only REMARKS: | | | | \$0.00 |
| ACCT #: El Paso DHC Ent. Far East 301 Williams El Paso, TX 79901 | | DATE INCURRED: CONSIDERATION: Loans REMARKS: | | | | \$42,184.96 |
| ACCT #: El Paso DHC Ent. West 301 Williams El Paso, TX 79901 | | DATE INCURRED: CONSIDERATION: Loans REMARKS: | | | | \$16,141.04 |
| ACCT #: Hilel Chowaiki 301 Williams El Paso, TX 79901 | | DATE INCURRED: CONSIDERATION: Loans REMARKS: | | | | \$37,972.52 |
| ACCT #: Internal Revenue Service P. O. Box 7346 Philadelphia, PA 19101-7346 | | DATE INCURRED: CONSIDERATION: Notice Only REMARKS: | | | | \$0.00 |
| Sheet no. 1 of 2 continuation sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims | | | Subtotal > | | | \$392,713.37 |
| | | | Total > | | | |
| | | | (Use only on last page of the completed Schedule F.) (Report also on Summary of Schedules and, if applicable, on the Statistical Summary of Certain Liabilities and Related Data.) | | | |

AMENDED
SCHEDULE F - CREDITORS HOLDING UNSECURED NONPRIORITY CLAIMS

| CREDITOR'S NAME, MAILING ADDRESS INCLUDING ZIP CODE, AND ACCOUNT NUMBER (See instructions above.) | CODEBTOR | DATE CLAIM WAS INCURRED AND CONSIDERATION FOR CLAIM. IF CLAIM IS SUBJECT TO SETOFF, SO STATE. | CONTINGENT | UNLIQUIDATED | DISPUTED | AMOUNT OF CLAIM |
|--|----------|--|--|--------------|----------|--------------------|
| | | | | | | |
| ACCT #: Nadia Nahmed 1037 Singing Hills El Paso, TX 79912 | | DATE INCURRED: CONSIDERATION: Loans REMARKS: | | | | \$134,972.69 |
| ACCT #: Spira Sportswear, LLC 301 Williams El Paso, TX 79901 | | DATE INCURRED: CONSIDERATION: Loans REMARKS: | | | | \$4,000.00 |
| ACCT #: Texas Workforce Commission TEC Building - Bankruptcy 101 East 15th Street Austin, TX 78778 | | DATE INCURRED: CONSIDERATION: Notice Only REMARKS: | | | | Notice Only |
| ACCT #: United States Attorney 601 N.W. Loop 410, Suite 600 San Antonio, Texas 78216 | | DATE INCURRED: CONSIDERATION: Notice Only REMARKS: | | | | Notice Only |
| ACCT #: United States Attorney General Department of Justice 950 Pennsylvania Ave. N.W. Washington, D.C. 20530 | | DATE INCURRED: CONSIDERATION: Notice Only REMARKS: | | | | Notice Only |
| ACCT #: United States Trustee P.O. Box 1539 San Antonio, TX 78295 | | DATE INCURRED: CONSIDERATION: Trustee REMARKS: | | | | \$0.00 |
| Sheet no. <u>2</u> of <u>2</u> continuation sheets attached to Schedule of Creditors Holding Unsecured Nonpriority Claims | | | Subtotal > | | | \$138,972.69 |
| | | | Total > | | | \$1,964,208.55 |
| | | | (Use only on last page of the completed Schedule F.) (Report also on Summary of Schedules and, if applicable, on the Statistical Summary of Certain Liabilities and Related Data.) | | | |

AMENDED
SCHEDULE G - EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Describe all executory contracts of any nature and all unexpired leases of real or personal property. Include any timeshare interests. State nature of debtor's interest in contract, i.e., "Purchaser," "Agent," etc. State whether debtor is the lessor or lessee of a lease. Provide the names and complete mailing addresses of all other parties to each lease or contract described. If a minor child is a party to one of the leases or contracts, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Check this box if debtor has no executory contracts or unexpired leases.

| NAME AND MAILING ADDRESS, INCLUDING ZIP CODE, OF OTHER PARTIES TO LEASE OR CONTRACT. | DESCRIPTION OF CONTRACT OR LEASE AND NATURE OF DEBTOR'S INTEREST. STATE WHETHER LEASE IS FOR NONRESIDENTIAL REAL PROPERTY. STATE CONTRACT NUMBER OF ANY GOVERNMENT CONTRACT. |
|--|--|
| Chowaiki Holdings, LLC 301 Williams El Paso, TX 79901 | Management Agreement Contract to be ASSUMED |
| El Paso DHC Ent. Far East 301 Williams El Paso, TX 79901 | Lease of 1887 North Zaragosa El Paso, TX 79936 |
| El Paso DHC Ent. West 301 Williams El Paso, TX 79901 | Lease of 5030 N. Desert, El Paso, TX 79912 |
| El Paso DHC Ent., LLC 301 Williams El Paso, TX 79901 | Lease of 7942 Gateway East, El Paso, TX |

AMENDED
SCHEDULE H - CODEBTORS

Provide the information requested concerning any person or entity, other than a spouse in a joint case, that is also liable on any debts listed by the debtor in the schedules of creditors. Include all guarantors and co-signers. If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within the eight-year period immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state, commonwealth, or territory. Include all names used by the nondebtor spouse during the eight years immediately preceding the commencement of this case. If a minor child is a codebtor or a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

Check this box if debtor has no codebtors.

| NAME AND ADDRESS OF CODEBTOR | NAME AND ADDRESS OF CREDITOR |
|--|--|
| David & Hilel Chowaiki 301 Williams El Paso, Texas 79901 | GECU 1225 Airway Blvd. El Paso, TX 79925 |
| David & Hilel Chowaiki 301 Williams El Paso, Texas 79901 | GECU 1225 Airway Blvd. El Paso, TX 79925 |
| David & Hilel Chowaiki 301 Williams El Paso, Texas 79901 | GECU 1225 Airway Blvd. El Paso, TX 79925 |
| David & Hilel Chowaiki 301 Williams El Paso, Texas 79901 | GECU 1225 Airway Blvd. El Paso, TX 79925 |
| David & Hilel Chowaiki 301 Williams El Paso, Texas 79901 | GECU 1225 Airway Blvd. El Paso, TX 79925 |
| David & Hilel Chowaiki 301 Williams El Paso, Texas 79901 | GECU 1225 Airway Blvd. El Paso, TX 79925 |
| El Paso DHC Ent. Far East 301 Williams El Paso, TX 79901 | GECU 1225 Airway Blvd. El Paso, TX 79925 |

In re DHC Realty, LLC

Case No. 11-30977

(if known)

**AMENDED
SCHEDULE H - CODEBTORS**

Continuation Sheet No. 1

| NAME AND ADDRESS OF CODEBTOR | NAME AND ADDRESS OF CREDITOR |
|---|---|
| El Paso DHC Ent. Far East 301 Williams El Paso, TX 79901 | GECU 1225 Airway Blvd. El Paso, TX 79925 |
| El Paso DHC Ent. West 301 Williams El Paso, TX 79901 | GECU 1225 Airway Blvd. El Paso, TX 79925 |
| El Paso DHC Ent. West 301 Williams El Paso, TX 79901 | GECU 1225 Airway Blvd. El Paso, TX 79925 |
| El Paso DHC Enterprises 301 Williams El Paso, TX 79901 | GECU 1225 Airway Blvd. El Paso, TX 79925 |
| El Paso DHC Enterprises 301 Williams El Paso, TX 79901 | GECU 1225 Airway Blvd. El Paso, TX 79925 |

AMENDED
DECLARATION CONCERNING DEBTOR'S SCHEDULES

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF A CORPORATION OR PARTNERSHIP

I, the President of the Corporation
named as debtor in this case, declare under penalty of perjury that I have read the foregoing summary and schedules, consisting of
17 sheets, and that they are true and correct to the best of my knowledge, information, and belief.
(Total shown on summary page plus 1.)

Date 6/23/2011

Signature David Chowaiki
David Chowaiki
President

[An individual signing on behalf of a partnership or corporation must indicate position or relationship to debtor.]

1-30977-hcm DHC Realty, LLC

Type: bk Chapter: 11 v Office: 3 (El Paso)
Assets: y Judge: hcm

U.S. Bankruptcy Court

Western District of Texas

Notice of Electronic Filing

The following transaction was received from Corey W. Haugland entered on 6/23/2011 at 12:35 PM CDT and filed on 6/23/2011

Case Name: DHC Realty, LLC

Case Number: 11-30977-hcm

Document Number: 12

Docket Text:

Amended Schedules and Summary: Amended Schedule(s): A,B,D,F,&G, (Filing Fee: \$ 26.00) filed by Corey V. Haugland for Debtor DHC Realty, LLC. -Declaration for Electronic Filing due by 06/30/2011 (Haugland, Corey)

The following document(s) are associated with this transaction:

Document description: Main Document

Original filename: C:\fakepath_0623085152_001.pdf

Electronic document Stamp:

STAMP bkecfStamp_ID=988230274 [Date=6/23/2011] [FileNumber=15869871-0
[26a90ffd755194baa0c00b51b783098fd1fe7a060eaa47623ac0bc30b240ca74637
a967ca97a438ff3818db56d7ca4390050bd701201a09e30c76bac91c20ba]]

1-30977-hcm Notice will be electronically mailed to:

David G. Aelvoet on behalf of Creditor City of El Paso
avida@publicans.com

Corey W. Haugland on behalf of Debtor DHC Realty, LLC
haugland@jghpc.com

United States Trustee - EP12
JSTPRegion07.SN.ECF@usdoj.gov

1-30977-hcm Notice will not be electronically mailed to:

Steven Lovett on behalf of Defendant GECU
P.O. Box 457
Las Cruces, NM 88004

Form 1065

U.S. Return of Partnership Income

OMB No. 1545-0099

2010

Department of the Treasury
Internal Revenue Service

For calendar year 2010, or tax year beginning 2010, ending 20
► See separate instructions.

| | | |
|--|--|--|
| A Principal busn. activity RENTAL | Name of partnership DHC REALTY LLC | D Employer ID number 20-0119951 |
| B Principal product/service COMMERCIAL | Number, street, and room or suite no. If a P.O. box, see the instructions. 301 WILLIAMS ST | E Date business started 07-18-2003 |
| C Business code number 531120 | City or town, state, and ZIP code El Paso TX 79901 | F Total assets (see instructions) \$ 5,676,741 |

G Check applicable boxes: (1) Initial return (2) Final return (3) Name change (4) Address change (5) Amended return
(6) Technical termination -- also check (1) or (2)

H Check accounting method: (1) Cash (2) Accrual (3) Other (specify) ►

I Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year ► 2

J Check if Schedules C and M-3 are attached

Caution. Include only trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

| | | | | |
|--|---|-----|---------|--------|
| Income | 1a Gross receipts or sales | 1a | | |
| | b Less returns and allowances | 1b | 1c | 0 |
| | 2 Cost of goods sold (Schedule A, line 8) | | 2 | |
| | 3 Gross profit. Subtract line 2 from line 1c | | 3 | 0 |
| | 4 Ordinary income (loss) from other partnerships, estates, and trusts (attach statement) | | 4 | 52,344 |
| | 5 Net farm profit (loss) (attach Schedule F (Form 1040)) | | 5 | |
| | 6 Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797) | | 6 | |
| | 7 Other income (loss) (attach statement) | #1 | 7 | 69 |
| | 8 Total income (loss). Combine lines 3 through 7 | | 8 | 52,413 |
| Deductions (see the instructions for limitations) | 9 Salaries and wages (other than to partners) (less employment credits) | | 9 | |
| | 10 Guaranteed payments to partners | | 10 | |
| | 11 Repairs and maintenance | | 11 | |
| | 12 Bad debts | | 12 | |
| | 13 Rent | | 13 | |
| | 14 Taxes and licenses | | 14 | |
| | 15 Interest | | 15 | |
| | 16a Depreciation (if required, attach Form 4562) | 16a | 205,619 | |
| | b Less depreciation reported on Schedule A and elsewhere on return | 16b | 205,619 | 16c |
| | 17 Depletion (Do not deduct oil and gas depletion.) | | 17 | |
| | 18 Retirement plans, etc | | 18 | |
| | 19 Employee benefit programs | | 19 | |
| | 20 Other deductions (attach statement) | #2 | 20 | 29,708 |
| | 21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20 | | 21 | 29,708 |
| | 22 Ordinary business income (loss). Subtract line 21 from line 8 | | 22 | 22,705 |

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member manager) is based on all information of which preparer has any knowledge.

May the IRS discuss this return with the preparer shown below (see inst.)? Yes No

| | | | |
|------------------------|--|----------------------|---|
| Sign Here | CLIENT'S COPY | | |
| | Signature of general partner or limited liability company member manager | Date | |
| Paid Preparer Use Only | Print/Type preparer's name Roberto G Torres CP | Preparer's signature | Date 3-1036600 |
| | Firm's name ► Roberto G Torres & Company | | Check <input type="checkbox"/> if self-employed PTIN P00296980 |
| | Firm's address ► 121 Paragon El Paso TX 79912 | | Firm's EIN ► (915) 584-5059 |
| | | | Phone no. (915) 584-5059 |

For Paperwork Reduction Act Notice, see separate instructions.

Form 1065 (2010)

JVA 10 106512 TWF 38887 Copyright Forms (Software Only) - 2010 TW



Form 1065 (2010)

DHC REALTY LLC 20-0119951

Page 2

Schedule A Cost of Goods Sold (see the instructions)

| | | | |
|---|--|---|--|
| 1 | Inventory at beginning of year | 1 | |
| 2 | Purchases less cost of items withdrawn for personal use | 2 | |
| 3 | Cost of labor | 3 | |
| 4 | Additional section 263A costs (attach statement) | 4 | |
| 5 | Other costs (attach statement) | 5 | |
| 6 | Total. Add lines 1 through 5 | 6 | |
| 7 | Inventory at end of year | 7 | |
| 8 | Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2 | 8 | |

9a Check all methods used for valuing closing inventory:

- (i) Cost as described in Regulations section 1.471-3
 - (ii) Lower of cost or market as described in Regulations section 1.471-4
 - (iii) Other (specify method used and attach explanation) ►
- b Check this box if there was a writedown of "subnormal" goods as described in Regulations section 1.471-2(c)
- c Check this box if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)
- d Do the rules of section 263A (for property produced or acquired for resale) apply to the partnership?
- e Was there any change in determining quantities, cost, or valuations between opening and closing inventory?

If "Yes," attach explanation.

Schedule B Other Information

| | | | |
|---|---|---|----|
| 1 | What type of entity is filing this return? Check the applicable box: | Yes | No |
| a | <input checked="" type="checkbox"/> Domestic general partnership | <input type="checkbox"/> Domestic limited partnership | |
| c | <input type="checkbox"/> Domestic limited liability company | <input type="checkbox"/> Domestic limited liability partnership | |
| e | <input type="checkbox"/> Foreign partnership | <input type="checkbox"/> Other ► | |
| 2 | At any time during the tax year, was any partner in the partnership a disregarded entity, a partnership (including an entity treated as a partnership), a trust, an S corporation, an estate (other than an estate of a deceased partner), or a nominee or similar person? | X | |
| 3 | At the end of the tax year: | | |
| a | Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership | | X |
| b | Did any individual or estate own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If "Yes," attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership | X | |
| 4 | At the end of the tax year, did the partnership: | | |
| a | Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below | X | |

| (I) Name of Corporation | (II) Employer Identification Number (if any) | (III) Country of Incorporation | (IV) Percentage Owned in Voting Stock |
|-------------------------|--|--------------------------------|---------------------------------------|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

| | | |
|---|-----|----|
| b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below | Yes | No |
| | X | |

| (I) Name of Entity | (II) Employer Identification Number (if any) | (III) Type of Entity | (IV) Country of Organization | (V) Maximum Percentage Owned in Profit, Loss, or Capital |
|--------------------|--|----------------------|------------------------------|--|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

Form 1065 (2010)

DHC REALTY LLC 20-0119951

Page 3

| | | Yes | No |
|-----|---|-----|----|
| 5 | Did the partnership file Form 8893, Election of Partnership Level Tax Treatment, or an election statement under section 6231(a)(1)(B)(ii) for partnership-level tax treatment, that is in effect for this tax year? See Form 8893 for more details | | X |
| 6 | Does the partnership satisfy all four of the following conditions? | | |
| a | The partnership's total receipts for the tax year were less than \$250,000. | | |
| b | The partnership's total assets at the end of the tax year were less than \$1 million. | | |
| c | Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return. | | |
| d | The partnership is not filing and is not required to file Schedule M-3 | | X |
| | If "Yes," the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item L on Schedule K-1. | | |
| 7 | Is this partnership a publicly traded partnership as defined in section 469(k)(2)? | | X |
| 8 | During the tax year, did the partnership have any debt that was cancelled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt? | | X |
| 9 | Has this partnership filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction? | | X |
| 10 | At any time during calendar year 2010, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If "Yes," enter the name of the foreign country. ► | | X |
| 11 | At any time during the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," the partnership may have to file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts. See instructions | | X |
| 12a | Is the partnership making, or had it previously made (and not revoked), a section 754 election? | | X |
| | See instructions for details regarding a section 754 election. | | |
| b | Did the partnership make for this tax year an optional basis adjustment under section 743(b) or 734(b)? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions | | X |
| c | Is the partnership required to adjust the basis of partnership assets under section 743(b) or 734(b) because of a substantial built-in loss (as defined under section 743(d)) or substantial basis reduction (as defined under section 734(d))? If "Yes," attach a statement showing the computation and allocation of the basis adjustment. See instructions | | X |
| 13 | Check this box if, during the current or prior tax year, the partnership distributed any property received in a like-kind exchange or contributed such property to another entity (other than entities wholly-owned by the partnership throughout the tax year) ► <input type="checkbox"/> | | |
| 14 | At any time during the tax year, did the partnership distribute to any partner a tenancy-in-common or other undivided interest in partnership property? | | X |
| 15 | If the partnership is required to file Form 8858, Information Return of U.S. Persons With Respect To Foreign Disregarded Entities, enter the number of Forms 8858 attached. See instructions ► | | |
| 16 | Does the partnership have any foreign partners? If "Yes," enter the number of Forms 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, filed for this partnership. ► | | X |
| 17 | Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return. ► | | |

Designation of Tax Matters Partner (see instructions)

Enter below the general partner designated as the tax matters partner (TMP) for the tax year of this return:

| | | |
|---|-------------------------------------|---------------------------|
| Name of designated TMP | HILEL CHOWAIKI | Identifying number of TMP |
| If the TMP is an entity, name of TMP representative | | Phone number of TMP |
| Address of designated TMP | 301 WILLIAMS ST El Paso TX 79901 | |

Form 1065 (2010)

DHC REALTY LLC 20-0119951

Page 4

| Schedule K Partners' Distributive Share Items | | Total amount |
|--|---|--------------|
| 1 | Ordinary business income (loss) (page 1, line 22) | 1 22,705 |
| 2 | Net rental real estate income (loss) (attach Form 8825) | 2 -816 |
| 3a | Other gross rental income (loss) | 3a |
| b | Expenses from other rental activities (attach statement) | 3b |
| c | Other net rental income (loss). Subtract line 3b from line 3a | 3c |
| 4 | Guaranteed payments | 4 |
| 5 | Interest income | 5 |
| 6 | Dividends: a Ordinary dividends | 6a |
| b | Qualified dividends | 6b |
| 7 | Royalties | 7 |
| 8 | Net short-term capital gain (loss) (attach Schedule D (Form 1065)) | 8 |
| 9a | Net long-term capital gain (loss) (attach Schedule D (Form 1065)) | 9a |
| b | Collectibles (28%) gain (loss) | 9b |
| c | Unrecaptured section 1250 gain (attach statement) | 9c |
| 10 | Net section 1231 gain (loss) (attach Form 4797) | 10 |
| 11 | Other income (loss) (see instructions) Type ► | 11 |
| 12 | Section 179 deduction (attach Form 4562) | 12 |
| 13a | Contributions | 13a |
| b | Investment interest expense | 13b |
| c | Section 59(e)(2) expenditures: (1) Type ► _____ (2) Amount ► | 13c(2) |
| d | Other deductions (see instructions) Type ► | 13d |
| 14a | Net earnings (loss) from self-employment | 14a |
| b | Gross farming or fishing income | 14b |
| c | Gross nonfarm income | 14c |
| 15a | Low-income housing credit (section 42(j)(5)) | 15a |
| b | Low-income housing credit (other) | 15b |
| c | Qualified rehabilitation expenditures (rental real estate) (attach Form 3468) | 15c |
| d | Other rental real estate credits (see instructions) Type ► | 15d |
| e | Other rental credits (see instructions) Type ► | 15e |
| f | Other credits (see instructions) Type ► | 15f |
| 16a | Name of country or U.S. possession ► _____ | 16a |
| b | Gross income from all sources | 16b |
| c | Gross income sourced at partner level | 16c |
| Foreign gross income sourced at partnership level | | 16d |
| d | Passive category ► _____ e General category ► _____ f Other ► | 16f |
| Deductions allocated and apportioned at partner level | | 16g |
| g | Interest expense ► _____ h Other | 16h |
| Deductions allocated and apportioned at partnership level to foreign source income | | 16i |
| i | Passive category ► _____ j General category ► _____ k Other ► | 16k |
| l | Total foreign taxes (check one): ► Paid <input type="checkbox"/> Accrued <input type="checkbox"/> | 16l |
| m | Reduction in taxes available for credit (attach statement) | 16m |
| n | Other foreign tax information (attach statement) | 16n |
| 17a | Post-1986 depreciation adjustment | 17a -52,332 |
| b | Adjusted gain or loss | 17b |
| c | Depletion (other than oil and gas) | 17c |
| d | Oil, gas, and geothermal properties -- gross income | 17d |
| e | Oil, gas, and geothermal properties -- deductions | 17e |
| f | Other AMT items (attach statement) | 17f |
| 18a | Tax-exempt interest income | 18a |
| b | Other tax-exempt income | 18b |
| c | Nondeductible expenses | #3 18c 222 |
| 19a | Distributions of cash and marketable securities | 19a |
| b | Distributions of other property | 19b |
| 20a | Investment income | 20a |
| b | Investment expenses | 20b |
| c | Other items and amounts (attach statement) | 20c |

Form 1065 (2010)

DHC REALTY LLC 20-0119951

Page 5

Analysis of Net Income (Loss)

| | | | |
|---|---|---------------|----------------------------|
| 1 | Net income (loss). Combine Schedule K, lines 1 through 11. From the result, subtract the sum of Schedule K, lines 12 through 13d, and 16l | 1 | 21,889 |
| 2 | Analysis by partner type: | (i) Corporate | (ii) Individual (active) |
| a | General partners | | (iii) Individual (passive) |
| b | Limited partners | | (iv) Partnership |
| | | | (v) Exempt organization |
| | | | (vi) Nominee/Other |

| Schedule L | Balance Sheets per Books | Beginning of tax year | | End of tax year | |
|------------|---|-----------------------|------------|-----------------|-----------|
| | Assets | (a) | (b) | (c) | (d) |
| 1 | Cash | | 4,120 | | 809 |
| 2a | Trade notes and accounts receivable | | | | |
| b | Less allowance for bad debts | | | | |
| 3 | Inventories..... | | | | |
| 4 | U.S. government obligations | | | | |
| 5 | Tax-exempt securities | | | | |
| 6 | Other current assets (attach statement)..... | | | | |
| 7 | Mortgage and real estate loans | | | | |
| 8 | Other investments (attach statement)..... | | | | |
| 9a | Buildings and other depreciable assets | 4,243,966 | | 4,243,966 | |
| b | Less accumulated depreciation | 1,420,743 | 2,823,223 | 1,626,362 | 2,617,604 |
| 10a | Depletable assets..... | | | | |
| b | Less accumulated depletion..... | | | | |
| 11 | Land (net of any amortization)..... | | 1,978,328 | | 1,978,328 |
| 12a | Intangible assets (amortizable only)..... | 68,708 | | 68,708 | |
| b | Less accumulated amortization | 39,630 | 29,078 | 68,708 | |
| 13 | Other assets (attach statement)..... | | 250,292 | | |
| 14 | Total assets | | 5,085,041 | | 5,676,741 |
| | Liabilities and Capital | | | | |
| 15 | Accounts payable | | | | |
| 16 | Mortgages, notes, bonds payable in less than 1 year | | | | 205,554 |
| 17 | Other current liabilities (attach statement) | | | | |
| 18 | All nonrecourse loans..... | | | | |
| 19 | Mortgages, notes, bonds payable in 1 year or more | | 4,637,553 | | 4,246,798 |
| 20 | Other liabilities (attach statement) | | 1,461,559 | | 2,216,165 |
| 21 | Partners' capital accounts | | -1,014,071 | | -991,776 |
| 22 | Total liabilities and capital | | 5,085,041 | | 5,676,741 |

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note. Schedule M-3 may be required instead of Schedule M-1 (see instructions).

| | | | | | |
|---------------|--|--------|---|---|--------|
| 1 | Net income (loss) per books | 22,296 | 6 | Income recorded on books this year not included on Sch. K, lines 1-11 (itemize): | |
| 2 | Income included on Schedule K, lines 1, 2, 3c, 5, 6a, 7, 8, 9a, 10, and 11, not recorded on books this year (itemize): | | a | Tax-exempt int. \$ _____ | |
| 3 | Guaranteed pymts. (other than health ins.) | | 7 | Deductions included on Sch. K, lines 1 through 13d, and 16l, not charged against book inc. this year (itemize): | |
| 4 | Expenses recorded on books this year not included on Schedule K, lines 1 through 13d, and 16l (itemize): | | a | Depreciation \$ _____ | #4 |
| a | Depreciation \$ _____ | | | 629 | 629 |
| b | Travel and entertainment \$ _____ | | 8 | Add lines 6 and 7..... | 629 |
| Nondeduct Exp | 222 | 222 | 9 | Income (loss) (Analysis of Net Income (Loss), line 1). Subtract line 8 from line 5 | |
| 5 | Add lines 1 through 4..... | 22,518 | | | 21,889 |

Schedule M-2 Analysis of Partners' Capital Accounts

| | | | | | |
|---|------------------------------------|------------|---|---|----------|
| 1 | Balance at beginning of year | -1,014,072 | 6 | Distributions: a Cash | |
| 2 | Capital contributed: a Cash | | b | Property..... | |
| | b Property..... | | 7 | Other decreases (itemize): _____ | |
| 3 | Net income (loss) per books | 22,296 | | | |
| 4 | Other increases (itemize): _____ | | 8 | Add lines 6 and 7..... | |
| 5 | Add lines 1 through 4..... | -991,776 | 9 | Balance at end of year. Subtract line 8 from line 5 | -991,776 |

**SCHEDULE B-1
(Form 1065)**

(December 2009)
Department of the Treasury
Internal Revenue Service

Information on Partners Owning 50% or More of the Partnership

OMB No. 1545-0099

► Attach to Form 1065. See instructions.

| | |
|---------------------------------------|--|
| Name of partnership DHC REALTY LLC | Employer identification number (EIN) 20-0119951 |
|---------------------------------------|--|

Part II Entities Owning 50% or More of the Partnership (Form 1065, Schedule B, Question 3a)

Complete columns (i) through (v) below for any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

Part II Individuals or Estates Owning 50% or More of the Partnership (Form 1065, Schedule B, Question 3b)

Complete columns (i) through (iv) below for any individual or estate that owns, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership (see instructions).

| (i) Name of Individual or Estate | (ii) Identifying Number (if any) | (iii) Country of Citizenship (see instructions) | (iv) Maximum Percentage Owned in Profit, Loss, or Capital |
|----------------------------------|-------------------------------------|---|---|
| David Chowaiki | - - - - - 13 | US | 50.0000 |
| Hilel Chowaiki | - - - - - 1 | US | 50.0000 |
| | | | |
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For Paperwork Reduction Act Notice, see the Instructions for Form 1065.

Schedule B-1 (Form 1065) (12-2009)

Form 4562

**Depreciation and Amortization
(Including Information on Listed Property)**

OMB No. 1545-0172

2010

Attachment
Sequence No. 67

Department of the Treasury
Internal Revenue Service (99)

► See separate instructions.

► Attach to your tax return.

Name(s) shown on return
DHC REALTY LLC

Business or activity to which this form relates
FOR FORM 8825 #1

Identifying number
20-0119951

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

| | | |
|---|-----------------------------------|-------------------------|
| 1 Maximum amount (see instructions) | 1 | |
| 2 Total cost of section 179 property placed in service (see instructions) | 2 | |
| 3 Threshold cost of section 179 property before reduction in limitation (see instructions) | 3 | |
| 4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- | 4 | |
| 5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions | 5 | 500,000 |
| 6 (a) Description of property | (b) Cost (busin. use only) | (c) Elected cost |
| | | |
| | | |
| 7 Listed property. Enter the amount from line 29 | 7 | |
| 8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 | 8 | |
| 9 Tentative deduction. Enter the smaller of line 5 or line 8 | 9 | |
| 10 Carryover of disallowed deduction from line 13 of your 2009 Form 4562 | 10 | |
| 11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions) | 11 | 500,000 |
| 12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11 | 12 | |
| 13 Carryover of disallowed deduction to 2011. Add lines 9 and 10, less line 12 | 13 | |

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

| | | |
|--|----|--|
| 14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions) | 14 | |
| 15 Property subject to section 168(f)(1) election | 15 | |
| 16 Other depreciation (including ACRS) | 16 | |

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

| | | |
|--|----------------------------|----------------|
| 17 MACRS deductions for assets placed in service in tax years beginning before 2010 | 17 | 205,619 |
| 18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here | ► <input type="checkbox"/> | ✓ |

Section B -- Assets Placed in Service During 2010 Tax Year Using the General Depreciation System

| (a) Classification of property | (b) Month and year placed in service | (c) Basis for depr. (business/investment use only - see instructions) | (d) Recovery period | (e) Convention | (f) Method | (g) Depreciation deduction |
|---------------------------------------|---|--|----------------------------|-----------------------|-------------------|-----------------------------------|
| 19a 3-year property | | | | | | |
| b 5-year property | | | | | | |
| c 7-year property | | | | | | |
| d 10-year property | | | | | | |
| e 15-year property | | | | | | |
| f 20-year property | | | | | | |
| g 25-year property | | | 25 yrs. | | S/L | |
| h Residential rental property | | | 27.5 yrs. | MM | S/L | |
| | | | 27.5 yrs. | MM | S/L | |
| i Nonresidential real property | | | 39 yrs. | MM | S/L | |
| | | | | MM | S/L | |

Section C -- Assets Placed in Service During 2010 Tax Year Using the Alternative Depreciation System

| | | | | | | |
|----------------|--|--|---------|----|-----|--|
| 20a Class life | | | | | S/L | |
| b 12-year | | | 12 yrs. | | S/L | |
| c 40-year | | | 40 yrs. | MM | S/L | |

Part IV Summary (See instructions.)

| | | |
|---|----|----------------|
| 21 Listed property. Enter amount from line 28 | 21 | |
| 22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions | 22 | 205,619 |
| 23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs | 23 | |

For Paperwork Reduction Act Notice, see separate instructions.

Form 4562 (2010)

DHC REALTY LLC 20-0119951

Page 2

Part V Listed Property (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.) **FOR FORM 1065**

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A -- Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

| 24a Do you have evidence to support business/investment use claimed? | | | Yes | No | 24b If "Yes," is the evidence written? | Yes | No | |
|---|-------------------------------|---|-------------------------------|--|--|------------------------------|----------------------------------|---------------------------------------|
| (a) Type of property (list vehicles first) | (b) Date placed in service | (c) Busn./ investment use percentage | (d) Cost or other basis | (e) Basis for depr. (busn./investment use only) | (f) Recovery period | (g) Method/ Convention | (h) Depreciation deduction | (i) Elected section 179 cost |
| 25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions) | | | | | | 25 | | |
| 26 Property used more than 50% in a qualified business use: | | | % | | | | | |
| | | | % | | | | | |
| | | | % | | | | | |
| 27 Property used 50% or less in a qualified business use: | | | % | | | S/L- | | |
| | | | % | | | S/L- | | |
| | | | % | | | S/L- | | |
| 28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 | | | | 28 | | | | |
| 29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 | | | | 29 | | | | |

Section B -- Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

| 30 Total business/investment miles driven during the year (do not include commuting miles) | (a) Vehicle 1 | (b) Vehicle 2 | (c) Vehicle 3 | (d) Vehicle 4 | (e) Vehicle 5 | (f) Vehicle 6 | | | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|-----|----|-----|----|
| | Yes | No | Yes | No | Yes | No | Yes | No | Yes | No |
| 31 Total commuting miles driven during the year | | | | | | | | | | |
| 32 Total other personal (noncommuting) miles driven | | | | | | | | | | |
| 33 Total miles driven during the year. Add lines 30 through 32 | | | | | | | | | | |
| 34 Was the vehicle available for personal use during off-duty hours? | | | | | | | | | | |
| 35 Was the vehicle used primarily by a more than 5% owner or related person? | | | | | | | | | | |
| 36 Is another vehicle available for personal use? | | | | | | | | | | |

Section C -- Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

| | | |
|---|-----|----|
| 37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees? | Yes | No |
| 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners | | |
| 39 Do you treat all use of vehicles by employees as personal use? | | |
| 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received? | | |
| 41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.) | | |

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

| (a) Description of costs | (b) Date amortization begins | (c) Amortizable amount | (d) Code section | (e) Amortization period or percentage | (f) Amortization for this year |
|---|---------------------------------|---------------------------|---------------------|--|-----------------------------------|
| 42 Amortization of costs that begins during your 2010 tax year (see instructions): | | | | | |
| 43 Amortization of costs that began before your 2010 tax year | | | 43 | 29,708 | |
| 44 Total. Add amounts in column (f). See the instructions for where to report | | | 44 | 29,708 | |

Form 8825

(Rev. December 2010)

Department of the Treasury
Internal Revenue Service

Rental Real Estate Income and Expenses of a Partnership or an S Corporation

► See instructions.

► Attach to Form 1065, Form 1065-B, or Form 1120S.

OMB No. 1545-1186

Name

DHC REALTY LLC

Employer identification no.
20-0119951

| | | | | |
|---|---|--|------------------|-------------------|
| 1 | Show the type and address of each property. For each rental estate property listed, report the number of days rented at fair rental value and days with personal use. See instructions. See page 2 to list additional properties. | | | |
| | Physical address of each property – street, city, state, ZIP code | Type – Enter code 1-8; see page 2 for list | Fair Rental Days | Personal Use Days |
| A | 7942 GATEWAY EAST El Paso TX 79915 | C | 365 | 0 |
| B | 5030 N DESERT BLVD El Paso TX 79912 | C | 365 | 0 |
| C | 1887 N ZARAGOZA, EL PASO, TX El Paso TX 79936 | C | 365 | 0 |
| D | | | | |

| | Properties | | | |
|--|------------------------------------|---------|---------|---|
| | A | B | C | D |
| 2 Gross rents | 2 180,000 | 180,000 | 180,000 | |
| Rental Real Estate Expenses | | | | |
| 3 Advertising | 3 | | | |
| 4 Auto and travel | 4 | | | |
| 5 Cleaning and maintenance | 5 | | | |
| 6 Commissions | 6 | | | |
| 7 Insurance | 7 | | | |
| 8 Legal and other professional fees | 8 | | | |
| 9 Interest | 9 96,582 | 96,582 | 96,582 | |
| 10 Repairs | 10 704 | 704 | 703 | |
| 11 Taxes | 11 30 | 30 | 31 | |
| 12 Utilities | 12 | | | |
| 13 Wages and salaries | 13 | | | |
| 14 Depreciation (see instructions) | 14 28,562 | 78,260 | 98,797 | |
| 15 Other (list) ► SEE ATTACHMENT | 15 14,417 | 14,417 | 14,415 | |
| 16 Total expenses for each property. | | | | |
| Add lines 3 through 15 | 16 140,295 | 189,993 | 210,528 | |
| 17 Income or (Loss) from each property. | | | | |
| Subtract line 16 from line 2 | 17 39,705 | -9,993 | -30,528 | |
| 18a Total gross rents. Add gross rents from line 2, columns A through H | 18a 540,000 | | | |
| b Total expenses. Add total expenses from line 16, columns A through H | 18b (540,816) | | | |
| 19 Net gain (loss) from Form 4797, Part II, line 17, from the disposition of property from rental real estate activities | 19 | | | |
| 20a Net income (loss) from rental real estate activities from partnerships, estates, and trusts in which this partnership or S corporation is a partner or beneficiary (from Schedule K-1) | 20a | | | |
| b Identify below the partnerships, estates, or trusts from which net income (loss) is shown on line 20a. | | | | |
| Attach a schedule if more space is needed: | | | | |
| (1) Name | (2) Employer identification number | | | |
| | | | | |
| | | | | |
| 21 Net rental real estate income (loss). Combine lines 18a through 20a. Enter the result here and on: | 21 -816 | | | |
| • Form 1065 or 1120S: Schedule K, line 2, or | | | | |
| • Form 1065-B: Part I, line 4 | | | | |

For Paperwork Reduction Act Notice, see instructions.

2010 FORM 8825 -- OTHER EXPENSES ATTACHMENT

DHC REALTY LLC
20-0119951

Form 8825 1

Property A:

| | |
|---------------------|-------|
| Management Fees | 4836 |
| Supplies | 1709 |
| Bank charges | 7189 |
| Lease | 648 |
| Licences | 35 |
| TOTAL TO PROPERTY A | 14417 |

Property B:

| | |
|---------------------|-------|
| Management Fees | 4836 |
| Supplies | 1709 |
| Bank charges | 7189 |
| Lease | 648 |
| Licences | 35 |
| TOTAL TO PROPERTY B | 14417 |

Property C:

| | |
|---------------------|-------|
| Management Fees | 4835 |
| Supplies | 1706 |
| Bank charges | 7190 |
| Lease | 648 |
| Licences | 36 |
| TOTAL TO PROPERTY C | 14415 |

Property D:

2010 DETAIL STATEMENTS

DHC REALTY LLC
20-0119951

Page 1

STATEMENT #1 - Other Income (Loss) (1065 PG 1 LINE 7)

| | |
|--|----|
| Other Income (Loss): | |
| Miscellaneous Incom..... | 69 |
| TOTAL Other Income (Loss)..... | 69 |
| TOTAL CARRIED TO 1065 PG 1 LINE 7..... | 69 |

STATEMENT #2 - Other Deductions (1065 PG 1 LINE 20)

| | |
|---|--------|
| Other Deductions: | |
| Amortization..... | 29,708 |
| TOTAL Other Deductions..... | 29,708 |
| TOTAL CARRIED TO 1065 PG 1 LINE 20..... | 29,708 |

STATEMENT #3 - NONDEDUCTIBLE EXPENSES (1065 PG 4 LINE 18c)

| | |
|--|-----|
| Code C - Fines and Penalties | 222 |
| TOTAL CARRIED TO 1065 PG 4 LINE 18c..... | 222 |

STATEMENT #4 - Inc not on Sch K - Other+ (1065 PG 5 M-1 LN 7b)

| | |
|---|-----|
| Amort..... | 629 |
| TOTAL CARRIED TO 1065 PG 5 M-1 LN 7b..... | 629 |

STATEMENT #5 - End:Other Current Assets (1065 PG 5 SCH L LN 6)

| | Beginning | Ending |
|--|-----------|-----------|
| Rent Receivable..... | 0 | 1,080,000 |
| TOTAL CARRIED TO 1065 PG 5 SCH L LN 6..... | 0 | 1,080,000 |

STATEMENT #6 - End: Other Current Liabilities (1065 PG 5 SCHL LN 17)

| | Beginning | Ending |
|--------------------------|-----------|--------|
| ROUNDING | | |
| BANK OVERDRAFT PER BOOKS | | |

TOTAL CARRIED TO 1065 PG 5 SCHL LN 17

STATEMENT #7 - End: Other Liabilities (1065 PG 5 SCHL LN 20)

| | Beginning | Ending |
|--|-----------|-----------|
| Loans - Related parties..... | 1,461,559 | 2,216,165 |
| TOTAL CARRIED TO 1065 PG 5 SCHL LN 20..... | 1,461,559 | 2,216,165 |

2010 DETAIL STATEMENTS

DHC REALTY LLC
20-0119951

Page 2

STATEMENT #8 - Other - Supplies (FORM 8825 PROP #1 LINE 15)

| | |
|---|-------|
| Supplies - Office..... | 3 |
| Supplies - vending..... | 292 |
| Supplies - other..... | 1,414 |
| TOTAL CARRIED TO FORM 8825 PROP #1 LINE 15..... | 1,709 |

STATEMENT #9 - Other - Supplies (FORM 8825 PROP #2 LINE 15)

| | |
|---|-------|
| Supplies - Office..... | 3 |
| Supplies - vending..... | 292 |
| Supplies - other..... | 1,414 |
| TOTAL CARRIED TO FORM 8825 PROP #2 LINE 15..... | 1,709 |

STATEMENT #10 - Other - Supplies (FORM 8825 PROP #3 LINE 15)

| | |
|---|-------|
| Supplies - Office..... | 2 |
| Supplies - vending..... | 291 |
| Supplies - other..... | 1,413 |
| TOTAL CARRIED TO FORM 8825 PROP #3 LINE 15..... | 1,706 |

2010 SELF-EMPLOYMENT WORKSHEET

DHC REALTY LLC
20-0119951

| | | |
|--|------------|--|
| 1a. Ordinary income (loss) (Schedule K, line 1) | 1a. 22,705 | |
| b. Net income (loss) from CERTAIN rental real estate activities (see instr) | b. | |
| c. Net income (loss) from other rental activities (Schedule K, line 3c) | c. | |
| d. Net loss from Form 4797, Part II, line 17, included on line 1a above. Enter as a positive amount. | d. | |
| e. Combine lines 1a through 1d | e. 22,705 | |
| 2. Net gain from Form 4797, Part II, line 17, included on line 1a above | 2. | |
| 3a. Subtract line 2 from line 1e. If line 1e is a loss, increase the loss on line 1e by the amount on line 2 | 3a. 22,705 | |
| b. Part of line 3a allocated to limited partners, estates, trusts, corporations, exempt organizations, and IRAs | b. 22,705 | |
| c. Subtract line 3b from line 3a. If line 3a is a loss, reduce the loss on line 3a by the amount on line 3b. Include each individual general partner's share on line 14a of Schedule K-1. | c. | |
| 4a. Guaranteed payments to partners (Schedule K, line 4) derived from a trade or business as defined in section 1402(c) (see instructions) | 4a. | |
| b. Part of line 4a allocated to individual limited partners for other than services and to estates, trusts, corporations, exempt organizations, and IRAs..... | b. | |
| c. Subtract line 4b from line 4a. Include each individual general partner's share and each individual limited partner's share on line 14a of Schedule K-1 | c. | |
| 5. Net earning (loss) from self-employment. Combine line 3c and 4c. Enter here and on Schedule K, line 14a | 5. | |

2010 PARTNERS CAPITAL ACCOUNT SUMMARY

DHC REALTY LLC 20-0119951

| Partner Number | Profit Sharing Percentage | Capital at Beginning of Year | Capital Contributed | Partners' Share of Lines 3, 4 & 7, Sch M-2 | Withdrawals & Distribution | Capital at End of Year |
|----------------|---------------------------|------------------------------|---------------------|--|----------------------------|------------------------|
| #1 | 50.00 | -507,036 | 0 | 11,149 | 0 | -495,887 |
| #2 | 50.00 | -507,036 | 0 | 11,147 | 0 | -495,889 |
| TOTALS | 100.00 | -1,014,072 | 0 | 22,296 | 0 | -991,776 |

Liquidation Analysis

| | |
|----------------------|------------------------|
| A. Real Property | \$8,310,000.00* |
| B. Personal Property | <u>\$1,137,644.88*</u> |
| TOTAL ASSETS | \$9,447,644.88* |

GECU has a first and second lien on all assets of DHC Realty securing its debt of \$5,837,745.79**, subject to the statutory liens of the City of El Paso and the various taxing authorities in El Paso County (who are owed \$404,097.57***). In a Chapter 7, the § 362 stay would be lifted and GECU would foreclose and pay off the property taxes.

Everyone else would get NOTHING!

Further, all of the creditors and more than seventy (70) employees of El Paso DHC Enterprises, LLC, El Paso DHC Enterprises West, LLC, and El Paso DHC Enterprises East, LLC (the entities which operate the Fuddrucker's at the three DHC Realty restaurant locations) will go unpaid. Under the Plan, the Reorganized Debtor will pay all of this debt (approximately \$250,000.00 combined).

*Numbers obtained from Debtor's Amended Summary of Schedules.

**As of December 7, 2011.

***Per the City of El Paso's Second Amended Proof of Claim filed December 6, 2011.

EXHIBIT 5-A